

U.S. Department of Housing and Urban Development
OFFICE OF PUBLIC AND INDIAN HOUSING



January 3, 2006

Jose' A Bosque-Perez
Executive Director
Virgin Islands Housing Authority
PO Box 7668
St Thomas, VI 00801

Dear Jose' A Bosque-Perez:

SUBJECT: Obligation Action, Public Housing Operating Subsidies,
LOCCS/PAS Project No: **VQ00100106D**.

In accordance with PIH Notice 2005-31, *Federal Fiscal Year (FFY) 2006 Initial Determination and Obligation of Operating Subsidy*, this letter obligates **\$9,164,732** of operating subsidy for the first six months of calendar year 2006 for PAS Project No: VQ00100106D. This amount is equal to 91.97 percent of FFY 2005 operating subsidy eligibility, adjusted for six months of funding.

For FFY 2006, Congress appropriated \$3.6 billion for the Operating Fund program. However, for contingencies, the Department has held-back 2 percent, reducing the amount available to about \$3.5 billion, or 91.97 percent of FFY 2005 operating subsidy eligibility (annualized).

In accordance with PIH Notice 2005-35, *Guidance on Methods and Schedules for Calculating Federal Fiscal Year (FFY) 2006 Operating Subsidy Eligibility and Issuance of Local Inflation Factors, Formula Expense Level Equation Multipliers, and Related Tables*, PHAs must submit their FFY 2006 operating subsidy forms by December 31, 2005, and all revisions to these forms by July 7, 2006. Total operating subsidy eligibility of all PHAs, and therefore proration levels, may change once all FFY 2006 operating subsidy forms and revisions have been processed.

The obligated funds are available to a PHA through eLOCCS. All funds must be used in accordance with the Annual Contributions Contract and associated laws and regulations. Instructions for the use of eLOCCS are found in Notice PIH 2002-28 (HA), Subject: Use of eLOCCS (electronic Line of Credit Control System) to Request Operating Subsidy Payments and Elimination of Form HUD-52721.

Sincerely,

A handwritten signature in cursive script, reading "Elizabeth A. Hanson", is positioned below the word "Sincerely,".

Elizabeth A. Hanson,
Deputy Assistant Secretary
Real Estate Assessment Center